THE MTE STORY

Magna-Tech Electronic Company has its origins in the early stages of development of analog **magnetic recording** for the post-production of motion pictures. Many of the staff and original ownership of the company came from "Reeves" Corporation of New York City in the early 1950's. One of the engineers was Otto Popelka. Otto was a genius when it came to mechanics. He founded Magna-Tech in a small loft in Manhattan and built the company on a reputation for quick delivery of a quality product made in accordance with the client's exact requirements. The company stayed a small company with basically a New York client base until the late 1960's.

Norman Prismant was employed by MTE. When Otto decided to retire he put together a purchase agreement for the purchase of the company in the early 1970's. Norman was an astute marketing and businessman. He propelled the company into a worldwide position. RCA and Westrex had been the dominant force in the manufacture of post-production equipment. These companies began to lose interest in this field and finally both withdrew from it.

Magna-Tech embarked on an aggressive program of research and development of new products for the film postproduction industry and developed the world's first successful 16/35mm combination all electronic projection system for post-production along with a looping system and bi-phase nterlocking technique. All this led to a very large market share and finally recognition by the industry that MTE was the leader in this segment of the business. MTE received an Academy Award for Technical Achievement from the Academy of Motion Picture Arts and Sciences and on several occasions has received certificates and technical awards from the Academy. The client base expanded and included every major Hollywood studio along with many New York based accounts.
Magna-Tech then began to market overseas and expanded its market penetration into Western Europe, Canada, Australia, the Far East and finally today into the Middle East and the new emerging countries in Eastern Europe.

The company was sold in 1986 and continued successfully for several years under the supervision of a well-seasoned and loyal staff. Then in the early 1990's Hollywood went through a contraction in production of features. This resulted in a fall in demand for all studio equipment.

In the late 1990's Hollywood production resumed full force. However, new technologies were on the horizon! Digital Sound techniques were being developed. MTE still continues to support the major Hollywood studios with major equipment purchases, parts support, service, design, and installations.
MTE was acquired in 1994 and moved to new headquarters in Miami, Florida. In 2002 the company merged with International Cinema Equipment Co. ICECO primarily focused its attention to the cinema and theater market. MTE is well suited to cover these markets as well as its traditional ones as a result of this merger. The company continues to grow and expand. As MTE enters the new millennium it has broadened its marketing to include total design installation, supply and
support for new studios and cinemas. A full line of projection systems, digital and analog recorders, reproducers, and support, sound systems and consulting are now included. Authorized dealers in over 41 countries around the world distribute MTE Products. Sales are also made to end-users as well.

MTE is affiliated with many other aspects of the cinema and media business including audio post-

production, film distribution, theater development and operations and sophisticated home media systems. We are confident that MTE will have a strong presence in the film industry well into the future.

Yours very truly,
Steven H. Krams
President & Chairman